

m/045/019



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

September 17, 2004

TO: Lowell P. Braxton, Director *LJB*
THRU: Mary Ann Wright, Associate Director *MAW*
THRU: Daron R. Haddock, Permit Supervisor *DRH*
FROM: Thomas Munson, Senior Reclamation Hydrologist *TM*
SUBJECT: Request for Approval of Release of Surety, Clifton Mining Company, Yellow Hammer Mine and Clifton/IP Project, M/045/019 and E/045/052, Tooele County, Utah

On May 25, 2004, the Division inspected Clifton Mining Company's Yellow Hammer Mine and the Clifton/IP exploration project, located in Tooele County, Utah to see if the sites could be released. The inspection reports with photos are attached.

These sites were reclaimed and reseeded in December of 2001. My inspection of the regrading and revegetation of both sites determined that both sites have been adequately regraded; they are stable, and the revegetation is adequate to meet success standards. Despite the drought conditions, the revegetation is doing remarkably well. The Clifton/IP Project has BLM lands involved. On September 9, 2004, we received a copy of a BLM letter to the operator releasing and closing their file for this exploration project (copy attached).

We currently hold a Certificate of Deposit #327-508-3729 in the amount of \$8,845 issued by Wells Fargo Bank. If you are in agreement with releasing the full reclamation surety back to the operator, please sign the enclosed letter addressed to Wells Fargo Bank granting authorization to release the funds back to Clifton Mining Company. We will then issue full release of the mining and exploration permits and close the respective files. Thank you for your consideration of this request.

I support the above request
LP Braxton
9/20/04

TM:jb

Attachment: Two inspection reports w/photos, BLM release letter

Enclosure: Wells Fargo Bank release letter

O:\M045-Tooele\E0450052-Clifton-Kiewit\final\bond release09172004.doc